

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Application No. NG-0046/
on its own motion, seeking to) PI-128
investigate certain customer)
service issues and plans relating) ORDER OPENING DOCKET
to SourceGas Distribution LLC,)
f/k/a Kinder Morgan, Inc.,)
Lakewood, Colorado.) ENTERED: April 17, 2007

BY THE COMMISSION:

During public hearings held in connection with SourceGas Distribution, LLC, f/k/a Kinder Morgan's (SourceGas) application for a general rate increase,¹ the Commission received testimony from customers concerning the quality of service offered by SourceGas, specifically, customer service. The Commission took note of the complaints registered by customers at the hearings in the order issued in Docket No. NG-0036 saying, "Additionally, although not an issue to be addressed in this Application, the Commission received numerous ratepayer complaints regarding Kinder Morgan's customer service. As a regulated entity, Kinder Morgan receives the benefit of a less risky rate of return; however, its obligation to provide its customers with quality customer service is not diminished."²

The State Natural Gas Regulation Act (Act)³ enacted by the Nebraska Legislature in 2003 and rules and regulations promulgated by the Nebraska Public Service Commission (Commission) give the Commission the authority to investigate terms and conditions of service of the jurisdictional utilities.⁴

The pertinent statute states in part, "The commission, upon its own initiative, may investigate all schedules of rates, contracts, and terms and conditions of service of jurisdictional utilities."⁵ SourceGas Distribution LLC, f/k/a Kinder Morgan, Inc.,⁶ ("SourceGas" or "SourceGas Distribution f/k/a Kinder Morgan") of Lakewood, Colorado, is a jurisdictional utility pur-

¹ See *In the Matter of the Application of Kinder Morgan, Inc., Lakewood, Colorado, seeking approval of a General Rate Increase*, Application No. NG-0036, (December 27, 2006).

² *Id.* at 5.

³ See Neb. Rev. Stat. § 66-1801 et seq.

⁴ Neb. Rev. Stat. § 66-1809.

⁵ See Neb. Rev. Stat. § 66-1809(1).

⁶ See *In the Matter of the joint application of Kinder Morgan, Inc., Houston, Texas; KM Retail Utilities Holdco LLC, Houston, Texas; SourceGas Distribution LLC, Lakewood, Colorado; SourceGas Holdings LLC, Stamford, Connecticut; and SourceGas LLC, Stamford, Connecticut; seeking approval of (1) the proposed transfer of Kinder Morgan, Inc.'s Nebraska Certificate of Convenience and utility assets to SourceGas Distribution LLC; and (2) the proposed change of control of SourceGas Distribution LLC from Kinder Morgan, Inc. to SourceGas LLC*. NG-0039, (February 27, 2007).

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suant to the Act.⁷ The Act further gives the Commission the authority to determine if SourceGas services are inadequate and to remedy them accordingly.⁸

The Commission has received information from SourceGas concerning plans of the company to engage a new firm to perform customer service functions.

O P I N I O N A N D F I N D I N G S

To further investigate the issues raised by the consumer complaints received by the Commission and to gather information about the proposed changes to customer service by SourceGas, the Commission finds that a workshop should be scheduled for a date later to be determined.

The Commission hereby opens this investigation to gather information on SourceGas Distribution LLC, f/k/a Kinder Morgan's customer service practices, policies and procedures currently and future plans of the company regarding customer service.

O R D E R


IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that a public investigation is hereby opened as captioned above.

MADE AND ENTERED at Lincoln, Nebraska, this 17th day of April, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

//s//Anne C. Boyle
//s//Tim Schram
//s//Frank E. Landis
//s//Gerald L. Vap
//s//Rod Johnson


Chairman

ATTEST:


Executive Director

⁷ See Neb. Rev. Stat. § 66-1802(10).

⁸ See Neb. Rev. Stat. § 66-1809.